



November 20, 1998

Purchase Card Reengineering Implementation Memo #1, Change 1

Certifying Officer Responsibilities

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MEMORANDUM FOR

SECRETARIES OF THE MILITARY DEPARTMENTS
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DIRECTORS OF THE DEFENSE AGENCIES
DIRECTORS OF THE DOD FIELD ACTIVITIES
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SUBJECT:

Purchase Card Reengineering Implementation Memorandum #1:
Certifying Officer Guidance--Change 1

Purchase card certifying officer guidance was issued on October 17, 1996, as Purchase Card Reengineering Implementation Memorandum #1: Certifying Officer Guidance. That guidance, within the context of ongoing efforts to reengineer the purchase card process, stipulated rules to implement Certifying Officer legislation for the DoD purchase card.

The "Joint Report of the Purchase Card Financial Management Team and the Purchase Card Integrated Product Team to the Under Secretary of Defense (Acquisition and Technology) and the Under Secretary of Defense (Comptroller)" proposed the reengineered business practice for the purchase card to be billed (invoiced) at the approving official level. This required that approving officials be appointed, in writing, as purchase card certifying officers. Accordingly, Purchase Card Reengineering Implementation Memorandum #1 required the use of a detailed certification statement by certifying officers.

Based on actual experience since implementation of the certifying officer policy, it appears that, while the certification may be appropriate as an accountable official (cardholder) certification, it may be inappropriate for certifying officers who organizationally are separate from respective cardholders. As a result, attached to this memorandum is a complete revision of the Purchase Card Reengineering Memorandum #1 that implements a tiered approach to payment certification in accordance with Chapter 33, "Accountable Officials and Certifying Officers," of Volume 5, "Disbursing Policy and Procedures," of the DoD Financial Management Regulation.

These policies are applicable to the Office of the Secretary of Defense; the Military Departments; the Chairman of the Joint Chiefs of Staff and the Joint Staff; the Combatant Commands; the Inspector General of the DoD; the Defense Agencies and the DoD Field Activities. These policies are effective as specified herein. The Heads of the DoD Components shall ensure that this guidance is adhered to in day-to-day operations and in the design, modification, and maintenance of the DoD Component's procurement and financial management systems.

My staff contact is Ms. Diane Bray. She may be reached through e-mail address at:

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Alice C. Maroni
Principal Deputy Under Secretary
of Defense (Comptroller)

[Attachment](#)

DEPARTMENT OF DEFENSE POLICIES
FOR ACCOUNTABLE OFFICIALS AND CERTIFYING OFFICERS
USING THE GOVERNMENT PURCHASE CARD

A. PURPOSE

This document establishes Department of Defense (DoD) Purchase Card Program financial management policies for accountable officials and certifying officers in accordance with DoD Directive 7000.15, “DoD Accountable Officials and Certifying Officers,” and Chapter 33, “Accountable Officials and Certifying Officers,” of Volume 5, DoD Financial Management Regulation (“DoDFMR”) (DoD 7000.14R). Responsibilities; minimum required qualifications; selection, appointment and designation process; certification; and pecuniary liability of accountable officials and certifying officers are governed by provisions of Chapter 33, Volume 5 of the “DoDFMR.” Where appropriate, “purchase card specific” responsibilities are delineated below.

B. APPLICABILITY AND SCOPE

These policies are applicable to the Office of the Secretary of Defense; the Military Departments; the Chairman of the Joint Chiefs of Staff and the Joint Staff; the Combatant Commands; the Inspector General of the DoD; the Defense Agencies; and the DoD Field Activities (hereafter referred to collectively as the “DoD Components”).

C. RESPONSIBILITIES

1. The Under Secretary of Defense (Comptroller), in coordination with the Director for Defense Procurement in the Office of the Under Secretary of Defense (Acquisition and Technology), shall develop, administer, maintain and monitor compliance with, and grant exceptions (as appropriate) to these financial management policies governing the Purchase Card Program.

2. The Heads of DoD Components shall implement, ensure compliance with, and recommend changes to these financial management policies of the Purchase Card Program.

3. The Director, Defense Finance and Accounting Service (DFAS) shall develop implementing procedures and appropriate changes to the “DoD Financial Management Regulation” (DoD 7000.14-R).

D. POLICY

It is DoD policy to appoint certifying officers in accordance with Title 31, United States Code, section 3325. Certifying officers are pecuniary liable for erroneous payments resulting from the performance of their duties in accordance with Title 31, United States Code, section 3328. Further, it is the DoD policy that other officials involved in authorizing payments are accountable, and that these accountable officials shall be pecuniary liable for erroneous payments resulting from the negligent performance of their responsibilities.

Unless otherwise approved by the Deputy Chief Financial Officer (DCFO), each purchase card approving official (or the installation resource manager, financial services officer or other authorized official designated by the installation commander or activity director) shall be appointed as the certifying officer for purposes of certifying payments to the paying office (disbursing officer) for purchase card issuer invoice/billing statement payments.

E. RESPONSIBILITY OF ACCOUNTABLE OFFICIALS AND CERTIFYING OFFICERS

1. Purchase Card Accountable Officials are responsible for attesting to the accuracy of information and data provided to a Purchase Card Certifying Officer in support of payment to the purchase card issuer. Purchase Card Accountable Officials shall be designated by the certifying officer whose certifications are supported by the accountable official(s). An accountable official shall be notified by the issuance of a letter of designation which apprises the accountable official of his or her pecuniary liability for erroneous payments that result from the negligent performance of accountable official duties.

2. Purchase Card Certifying Officers are responsible for: (a) ensuring that the transactions meet the legal requirements for authorized purchase card purchases; (b) ensuring that adequate documentation is available for individual transactions; (c) ensuring the facts presented in documents for payment are complete and accurate; (d) taking appropriate action to prevent two or more payments for the same transaction; (e) proper implementation of dispute procedures when transactions are questioned; (f) certifying and forwarding, to the paying office for payment, the official invoice, including a written certification statement.

F. CERTIFICATION STATEMENTS

Certification statements from accountable officials and certifying officers shall mirror the attached formats.

1. Purchase Card Certifying Officer. Certifying Officers are responsible for the accuracy of payments, including designation of the proper appropriations(s) or other funds, certified to the paying office and disbursing officer. Certifying Officers are liable for an illegal, improper, or incorrect payment processed by the Department as a result of an inaccurate or misleading certification. Certifying officers shall be Purchase Card Approving Officials or Other Authorized Officials as defined herein.

a. Purchase Card Approving Official. Approving officials may be appointed as Purchase Card Certifying Officers and shall sign the appropriate payment certification to the paying office (disbursing officer).

b. Other Authorized Official. Installation level resource managers, financial services officers or other authorized officials designated by the installation commander or activity director may be appointed as Purchase Card Certifying Officers to sign the appropriate payment certification to the paying (disbursing) office.

2. Purchase Card Accountable Official. Accountable Officials shall be accountable and pecuniary liable for the erroneous payments that result from inaccurate information and data, including designation of the proper appropriations(s) or other funds provided to a Purchase Card Certifying Officer, if the erroneous payment is the result of negligence relative to the performance of assigned duties. Accountable officials shall be Purchase Card Approving Officials (when not appointed as the Purchase Card Certifying Officer), purchase cardholders and other authorized officials as defined herein.

a. Purchase Card Approving Official. Approving officials shall be designated as Accountable Officials, when not appointed as Purchase Card Certifying Officers, to sign the appropriate Accountable Official certifications. Each Approving Official, as an Accountable Official, shall forward the certification statement to the Purchase Card Certifying Officer, for appropriate action, in accordance with DoD Component internal procedures.

b. Purchase Cardholder. Cardholders shall be designated as Accountable Officials and sign appropriate account activity Accountable Official certifications. A cardholder's responsibility includes, but is not limited to, reconciling the statement of cardholders account activity with supporting documents. In addition, a cardholder must sign the certification statement and forward it to the purchase card approving official and/or Purchase Card Certifying Officer, for appropriate action in accordance with DoD Component internal procedures.

c. Other Authorized Official. When not appointed as certifying officers, installation level resource managers, financial services officers or other authorized officials identified by the installation commander or activity director, may be designated in writing by the Purchase Card Certifying Officer as Purchase Card Accountable Officials. Designated Purchase Card Accountable Officials shall sign appropriate accountable official certifications to the Purchase Card Approving Official and/or Purchase Card Certifying Officer in accordance with DoD Component internal procedures.

G. PECUNIARY LIABILITY

Purchase Card Accountable Officials and Purchase Card Certifying Officers are pecuniarily liable for erroneous payments in accordance with DoD Directive 7000.15, "DoD Accountable Officials and Certifying Officers," and Chapter 33, "Accountable Officials and Certifying Officers," of Volume 5, DoDFMR. The amount of the pecuniary liability is determined under Chapter 33, Volume 5, DoDFMR.

H. WAIVER PROCESS

1. The DCFO, in coordination with the Director for Defense Procurement, may grant waivers to this policy.

2. Requests for deviations from, or exceptions to, the foregoing policies shall be submitted through, and evaluated by, the applicable Military Department Office of the Assistant Secretary for Financial Management and Comptroller, Defense Agency Comptroller, or equivalent.

3. Waiver requests endorsed by the DoD Component Headquarters shall be forwarded for consideration to the Director for Financial Commerce, Office of the Deputy Chief Financial Officer. Each request must contain adequate justification and demonstrate the need for a waiver or exception to the specific policy.

I. EFFECTIVE DATE AND IMPLEMENTATION

1. These policies are effective immediately.
2. The Heads of DoD Components shall ensure that these policies are adhered to in day-to-day operations and in the design, modification, and maintenance of the DoD Component's procurement and financial management systems.

DEPARTMENT OF DEFENSE
PURCHASE CARD CERTIFICATION STATEMENTS

- Purchase Card Certifying Officer certification statement shall read:

“Pursuant to authority vested in me, I certify that this invoice (billing statement) is correct and proper for payment, except as may be noted herein or on supporting documents.”

Authorized Certifying Officer Signature
(or electronic certification)

- Approving Official (as Accountable Official), certification statement shall read:

“I certify that the items listed herein are correct and proper for payment from the appropriations(s) or other funds designated thereon or on supporting vouchers, and that the payment is legal, proper and correct, except as may be noted herein or on supporting documents.”

Authorized Approving Official Signature
(or electronic signature)

- Cardholder (as Accountable Official), certification statement shall read:

“I certify that, except as may be noted herein or on supporting documents, the purchases and amounts listed on this account statement:

- (1) Are correct and required to fulfill mission requirements of my organization.
- (2) Do not exceed spending limits approved by the Resource Manager.
- (3) Are not for my personal use or the personal use of the receiving individual.
- (4) Are not items that have been specifically prohibited by statute, by regulation, by contract or by my organization.
- (5) Have not been split into smaller segments to avoid dollar limitations.

Authorized Cardholder Signature
(or electronic signature)

Attachment